



GLOBAL UPDATE

1QFY23

MEGAPORT LIMITED | ACN 607 301 959 | ASX: MP1 | 19 OCTOBER 2022

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COMPANY HIGHLIGHTS 1QFY23



Q1 HIGHLIGHTS

Continued EBITDA growth

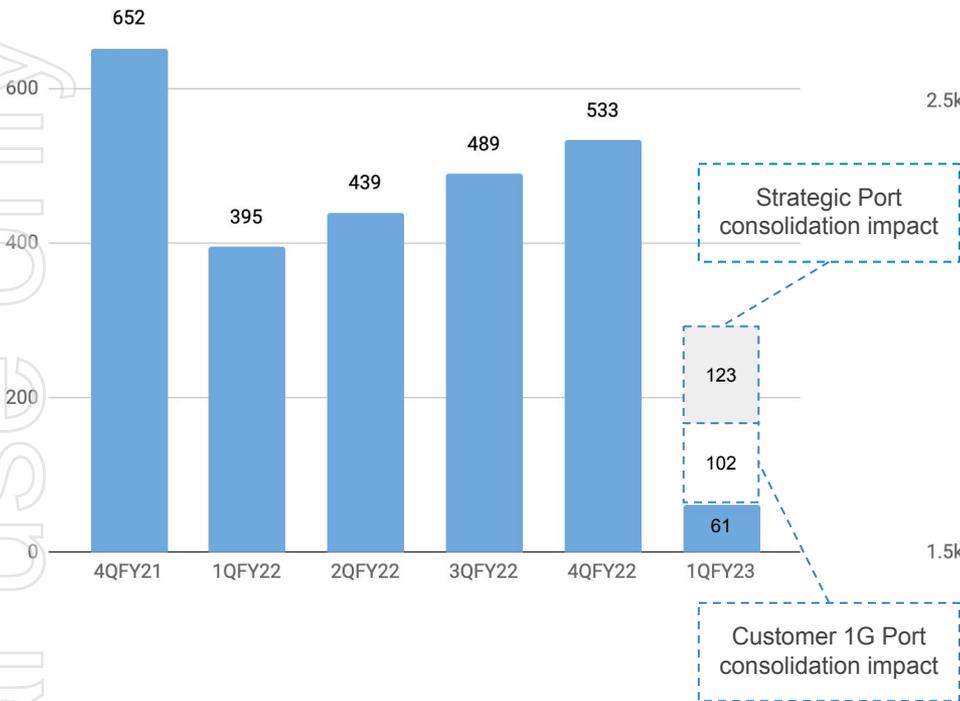
Channel strengthening

MegaportONE commercial sales

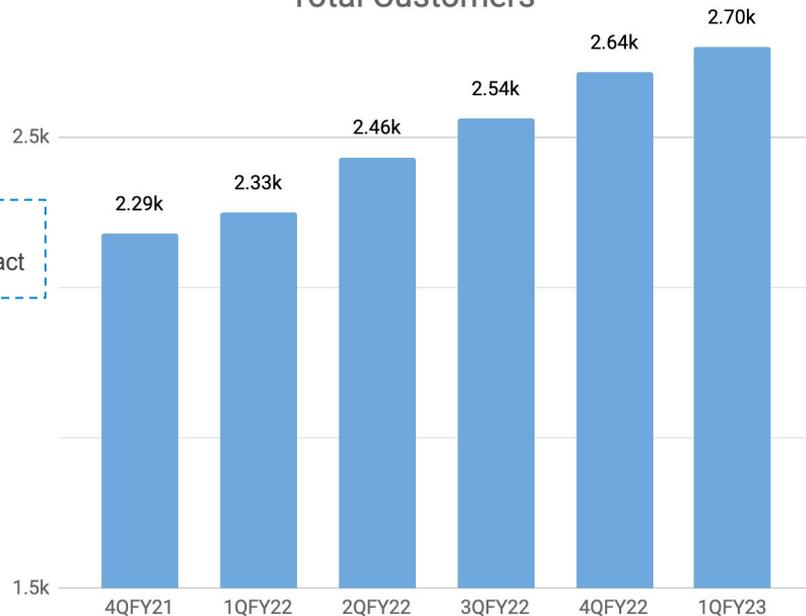
Strategic alliance with Zenlayer extending reach

KEY PERFORMANCE INDICATORS

Net New Ports

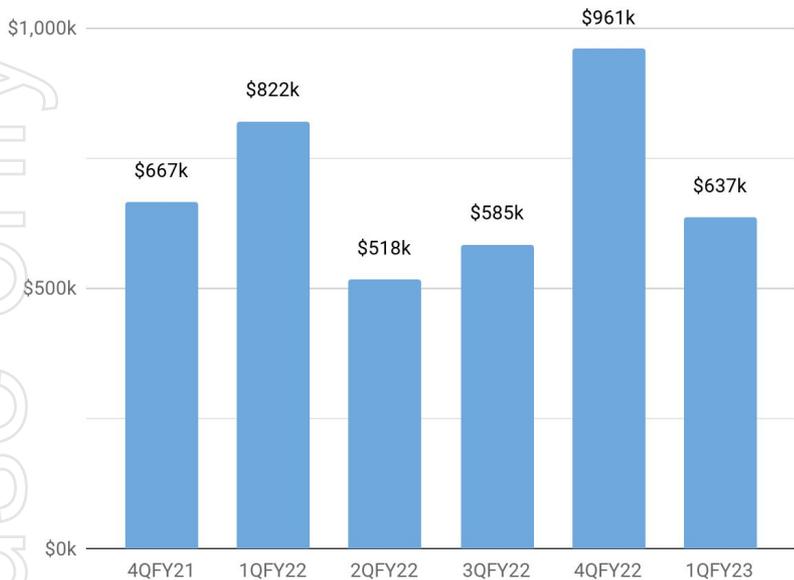


Total Customers

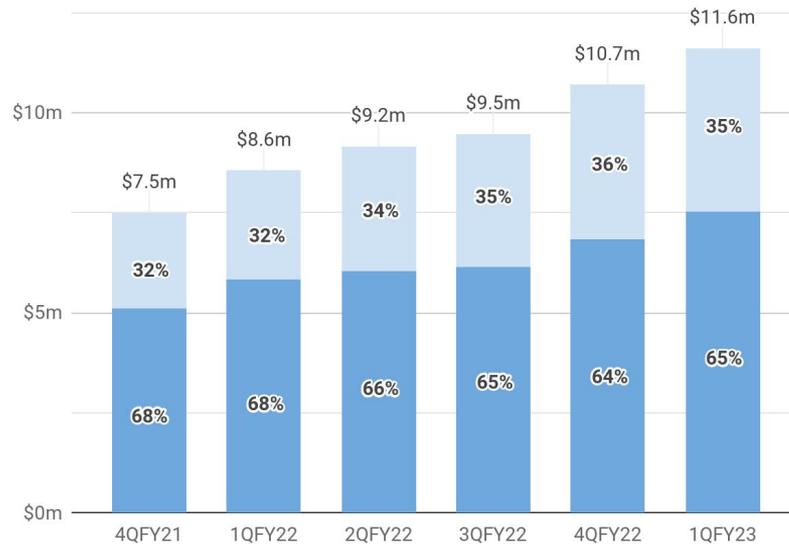


KEY PERFORMANCE INDICATORS

Underlying MRR Growth* (AUD)



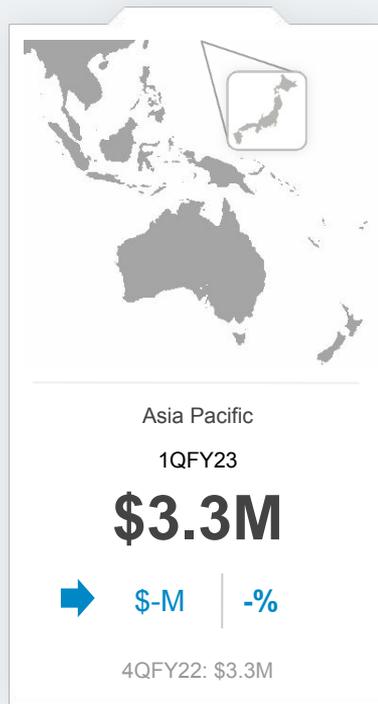
MRR by Channel (AUD)



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*Underlying Growth in MRR is the QoQ growth in MRR excluding the estimated impact of FX movements

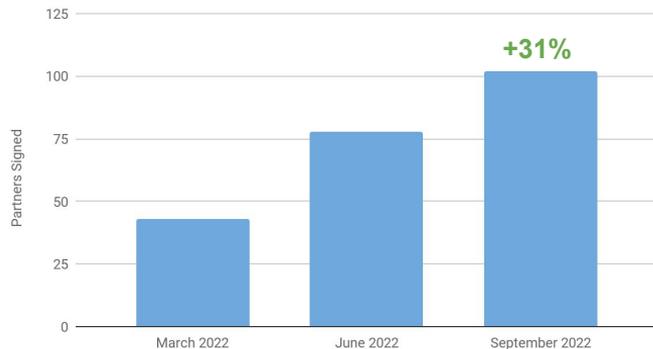
MONTHLY RECURRING REVENUE PERFORMANCE 1QFY23 (AUD)



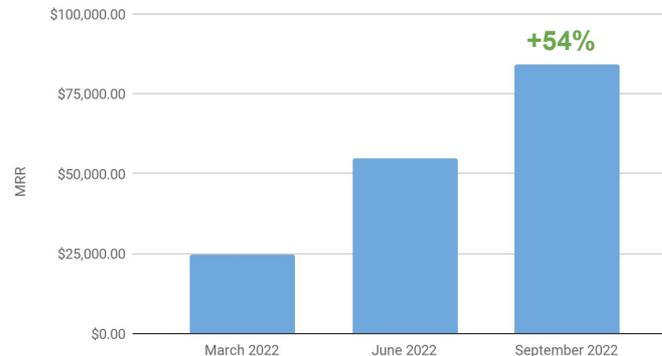
Note: Growth rates are calculated using the actual \$ values.

PARTNERVANTAGE CONTINUES TO GROW

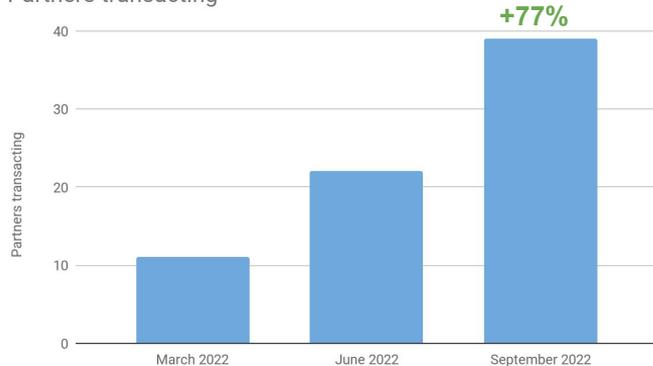
New Partners Signed



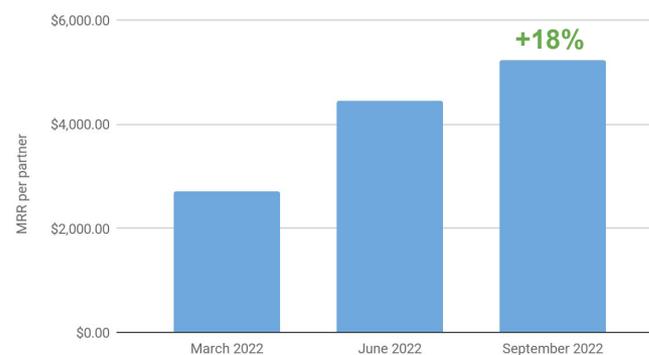
MRR



Partners transacting



MRR per partner



LEADING COMPANIES TRUST MEGAPORT



GENERAL DYNAMICS



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FINANCIAL PERFORMANCE 1QFY23



UNAUDITED FINANCIAL RESULTS

Consolidated Profit & Loss	Q1FY23 \$'M AUD	Q1FY22 \$'M AUD	YoY %	Q1FY23 \$'M USD
Revenue	33.7	24.6	37%	23.0
Direct network costs	(8.2)	(7.5)	(9%)	(5.6)
Partner commissions	(3.8)	(2.7)	(41%)	(2.6)
Profit after direct network costs and partner commissions	21.7	14.4	51%	14.8
Employee expenses	(14.9)	(13.7)	(9%)	(10.2)
Professional fees	(1.6)	(2.1)	24%	(1.1)
Marketing expenses	(1.2)	(0.1)	(>100%)	(0.8)
Travel expenses	(0.6)	(0.2)	(>100%)	(0.4)
IT costs	(0.9)	(0.9)	-	(0.6)
Other operating expenses	(1.5)	(1.5)	-	(1.0)
Normalised EBITDA ¹	1.0	(4.1)	>100%	0.7
Normalised EBITDA margin	3%	(17%)	+20pp	3%

FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2022

Revenue of A\$33.7M (US\$23.0M) up A\$3.1M (US\$1.1M), 10% (5% in US\$) from Q4.

Profit after direct costs and partner commissions of A\$21.7M (US\$14.8M) improved by A\$1.8M (US\$0.5M).

Profit after direct costs and partner commissions margin of 64% is broadly in line with Q4.

Normalised EBITDA¹ of \$1.0M, (US\$0.7M) 3% of revenue (Q4FY22: A\$1.0M US\$0.9M)

CASH FLOW

	Q1FY23 \$'M AUD	Q1FY22 \$'M AUD	YoY %	Q1FY23 \$'M USD
Normalised EBITDA ¹	1.0	(4.1)	>100%	0.7
Working Capital	(0.7)	(1.4)	50%	1.3
Cash flow from Operating Activities	0.3	(5.5)	>100%	2.0
Acquisition of subsidiary	-	(10.4)	100%	-
Interest received	0.2	-	100%	0.1
Capital expenditure, including IP	(16.0)	(14.1)	(13%)	(8.6)
Cash flow used in Investing Activities	(15.8)	(24.5)	36%	(8.5)
Cash flow from issue of equity	-	1.7	(100%)	-
Cash flow from borrowings, (net)	4.1	6.5	(37%)	2.8
Principal lease payments	(2.5)	(1.4)	(79%)	(1.7)
Cash flow from Financing Activities	1.6	6.8	(76%)	1.1
Net Cash Flow	(13.9)	(23.2)	40%	(5.4)
Effect of FX movements	0.8	1.1	(27%)	(6.6)
Opening Cash Balance	82.5	136.3		56.9
Closing Cash Balance ²	69.4	114.2		44.9

FINANCIAL RESULTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

Cash from operations of A\$0.3M an improvement of A\$5.8M over the same period previous year. Cash flow from operations was positive both quarters Q4FY22 and Q1FY23.

Cash used in investing activities of A\$15.8M is A\$6.3M (66%) more than Q4FY22 with the acceleration in capital spend with the result at purchasing of equipment for FY23 is largely complete.

Net cash used for the quarter was A\$13.9M, A\$9.3M lower than Q1FY22 largely because of the acquisition in that period.

Cash on hand at 30 September was A\$69.4M (US\$44.9M)



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IMPORTANT INFORMATION

This presentation has been authorised by the Board of Megaport.

Megaport Limited ACN 607 301 959

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All references to “\$” are to Australian currency (AUD) unless otherwise noted.

For definitions refer to the [Glossary for Investors](#) on the Megaport website at <https://www.megaport.com/investor/business-overview/>.

A summary of Megaport's 5 year Historical KPIs and metrics can be found on our website at <https://www.megaport.com/investor/business-overview/#kpis>.

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